



CODE OF ETHICS

LEFAY RESORTS

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INTRODUCTION

The directors, delegated bodies, supervisory bodies and managers of LEFAY RESORTS SRL (hereinafter the “Group”) are aware of their responsibilities towards all Stakeholders. This Code, adopted by the Board of Directors of the Company on the 27th January 2017, constitutes a single document for the whole Group and as such all Companies held and Establishments managed under a management contract are required to accept it and follow the indications therein.

The Code of Ethics contains a set of guidelines that the Group undertakes to respect and enforce, for the purpose of serving as the Group’s primary code of ethics instrument to formalise the existing principles and standards of conduct and to create the conditions for the fair application of specific policies and procedures.

On this basis, Lefay Resorts adopts this Code of Ethics, in the belief that the goals of growth, development and protection of stakeholders must and can be combined with compliance with the values underpinning the social life and proper corporate governance implemented according to clear and common rules.

Lefay Resorts operates in the hospitality industry with the aim of becoming the leading Italian brand on the international luxury holiday and wellness market through the creation of a collection of eco-resorts characterised by Italian style & living and according to the criteria of new Lefay luxury.

Since its creation, Lefay Resorts has been developing its business, taking inspiration from the concepts of global well-being, eco-sustainability and new luxury, while fully respecting the environment and the community.

To this end, Lefay Resorts promotes a work environment that, inspired by respect, fairness and cooperation, allows Staff Members to be involved and empowered with regard to the specific aims to pursue and the methods adopted to achieve them. Lefay Resorts acts in accordance with the principles of loyalty, fairness, responsibility, freedom, dignity of the individual and respect for diversity and rejects any form of discrimination based on sex, race, language, personal and social status and religious and political beliefs.

Lefay Resorts ensures its dissemination and information activities are based on the provisions of the Code of Ethics and its application towards those to whom it applies both within the company and the Group, so that employees, all those who work for the companies or use their services, carry out their work and/or their duty in constant and strict observance of the principles and values contained therein.

GENERAL PROVISIONS

Art. 1 - Scope of application and Recipients

The provisions of this Code of Ethics outline the basic principles underpinning the Group and constitute other exemplifying specifications of the general obligations of diligence, fairness and loyalty that characterise the performance of work and conduct within the work environment.

The principles and provisions of the Code of Ethics are binding for directors ("**Directors**"), for all the individuals linked to Lefay Resorts and the Group companies by a subordinate employment relationship ("**Employees**"), and for all those who work for the company, whatever their relationship may be, temporary or otherwise, which links them to it ("**Staff Members**"). Directors, Employees and Collaborators are defined below jointly as the "**Recipients**".

The Code of Ethics may be consulted by all third parties who are employed by the Group companies or who have either stable or temporary work relations with it.

Any subject who interacts with the Group can also be deemed as recipients of this Code. For such recipients, the principles, rules and regulations contained therein represent a virtuous mode of conduct that, in accordance with the mutual roles, contribute to shaping the common good.

Art. 2 - General principles

The Code of Ethics constitutes a set of principles whose observance is of crucial importance to the correct functioning and reliability of the management and reputation of the Group. These principles refer to all operations, conduct and relations within the companies and between the companies and third parties.

Lefay Resorts acknowledges the central role of human resources and believes that an essential factor in the success and development of the Group is the professional contribution of the people who work therein. Human resources management is based on respect for the personality and professional skills of each individual in a general

context of honesty and trust, strongly promoting and supporting the process of internal professional growth.

The Group's activities are performed in full compliance with current environmental legislation and by constantly seeking a balance between the performance of economic activity and the essential needs of the environment, in consideration of the rights of future generations and in the knowledge that there is no future for economic development if environmental values are not placed at the centre of each choice of action, in protection of the territory, in keeping with the principles of eco-sustainable development.

Art. 3 - Communication

Lefay Resorts shall inform all Recipients about the provisions and application of the Code of Ethics, recommending that they be adhered to.

In particular, Lefay Resorts shall provide for the following through its corporate functions:

- the circulation of the Code of Ethics to Recipients by distributing a copy to them;
- the interpretation and clarification of the provisions contained in the Code of Ethics;
- verification of the effective compliance of the Code of Ethics;
- any future updates to and implementation of the provisions of the Code of Ethics according to the needs arising from time to time.

Art. 4 - Liability

Recipients shall carry out their activities and duties with professional commitment, diligence, efficiency and fairness, making the most of the tools and time available and assuming the responsibilities arising from the commitments undertaken.

When carrying out the company mission, the conduct of all the recipients of the Code must be based on the ethics of responsibility, which means considering the consequences of their actions, being attentive to their impact on the community and the environment.

An essential principle for the Group is the respect for the law and regulations in force in Italy, the European Union and all the countries where the Group operates.

The recipients of the Code of Ethics are required to comply with the legislation in force; under no circumstances are they permitted to pursue or perform the interests of the Group in breach of the law.

Art. 5 - Fairness and impartiality

For the Group, fairness means first and foremost respect for the individual, both in terms of privacy and equal opportunities.

Fairness means honouring the commitments undertaken with Stakeholders. Insofar as relations within the Group are concerned, particular attention is given to the physical and moral integrity of Staff Members, as well as to the elimination of any discrimination and possible dispute between employees of the Group.

Fairness in external relations means maintaining relationships built on the highest level of professionalism with clients and suppliers, but also listening to all stakeholders who should be considered, informed and involved. All actions and operations undertaken and the general conduct adopted by Recipients in the performance of their responsibilities or job role shall be based on fairness, thoroughness and transparency of information, as well as legitimacy under both formal and substantial aspects in compliance with the rules, regulations and internal procedures in force, and also in view of safeguarding the company's reputation and assets.

In particular, the following are not permitted:

- the pursuit of personal interests or those of third parties to the detriment of the company's interests;
- the wrongful exploitation, for personal purposes or for those of third parties, of the name and reputation of Lefay Resorts, as well as the information acquired during the performance of their duties or functions;
- the use of goods and equipment available to the Recipients in the performance of their duties or functions, for purposes other than those for which such goods and equipment are designed.

Art. 6 - Efficiency

The principle of efficiency requires the commitment of all recipients to perform their work to the best of their abilities by working towards an effective corporate management, on the basis of benchmarks for decisions that are clearly identified and disseminated. This means:

- guaranteeing and demanding high quality standards both in terms of processes and in results;
- efficiently using the resources necessary for the provision of services;
- ensuring that facilities are properly used and kept in good condition over time;
- developing risk management systems that comply with the activities undertaken;
- ensuring compliance with the commitments undertaken with Guests and an adequate level of service.

Art. 7 - Central role of the individual and the development of human resources

Respect for the individual implies the promotion of human rights and, therefore, the protection of dignity and physical integrity of the individual, through impartiality in choices, freedom of thought, consciousness and religion, safety, the appropriate training and information, the protection of vulnerable or disadvantaged individuals, by adopting an ethical conduct based on principles such as fairness, reliability and irreproachability.

Human resources are a fundamental factor in the development of the Group, therefore Lefay Resorts protects and promotes the professional growth of its employees in order to respect the physical and moral integrity as a primary asset by protecting health and safety in work places in compliance with current legislation.

All employees have the same opportunities to demonstrate their qualities and potential and to access avenues of professional growth and career pathways in a work environment in which their personal characteristics are valued and political, religious, racial, linguistic or sexual diversity are not used as a basis for discrimination or harassment of any kind.

To this end, the human resources department is committed to:

- developing a Staff selection and recruitment system that prevents any such discrimination;
- allowing all Staff access to the training courses necessary to maintain the professional qualification required by technological innovation and by changes to work processes.

Art. 8 - Respect and protection of the environment

Protection of the environment is one of the strategic objectives of the Group's responsibilities. For this reason, Lefay Resorts is raising awareness among its Stakeholders to respect the environment surrounding its properties, by preserving the native flora and fauna and promoting the implementation of environmentally sound behaviours.

Lefay Resorts has significant influence in terms of environmental sustainability, particularly in the social and environmental context in which it carries out its operations, both in the short-term and long-term. This influence is attributable to the consumption of resources and the generation of emissions and waste directly connected to its business activities (direct impact), as well as activities and behaviours which it does not control directly but which have been carried out by third parties, i.e. Guests and suppliers, with whom it deals (indirect impact).

To limit these influences, Lefay Resorts is committed to:

- ensuring the full and substantial compliance of environmental prescriptions;
- continually seeking innovative and effective solutions for environmental issues, including through the provision of products specific to customers and solutions to our suppliers;
- striving to spread environmentally sound practices;
- being open to dialogue and discussion with all Stakeholders who represent the "voice" of the environment;
- pursuing the conscious consumption of the resources required to carry out activities, by implementing an environmental management system and a progressive improvement of energy efficiency;

- continually improving our approach to the environment by monitoring environmental data and raising awareness among people who work for the Group;
- making environmental data accessible to the public through the various channels of communication available.

Lefay Resorts acknowledges that its responsibility towards the environment and society extends throughout the supply chain and is therefore concerned with steering the policies of its suppliers and sub-suppliers towards the protection of the environment and respect of human and workers' rights.

Lefay Resorts positively values suppliers who base their activity on environmental and social sustainability and who adopt the measures and tools necessary to minimise the negative impacts caused by their activities.

Lefay Resorts shall endeavour to encourage suppliers to adopt a responsible attitude that promotes awareness of the environmental, social and ethical risks and opportunities arising from their activities.

Lefay Resorts shall take into consideration the dialogue with associations and the territory of strategic importance to develop the Group's activities sustainably. The Group therefore undertakes to:

- listen to and take into account the observations made by various aspects of civil society on the Group's activities;
- maintain an open channel of communication with the associations who represent the interest of business Stakeholders, with the aim of cooperating in respect of mutual interests and preventing possible conflicting situations.

Lefay Resorts identifies the needs and requirements, material and otherwise, of the community and supports them, including through liberal grants and sponsorships:

- in selecting the areas of intervention, particular attention is given to coherence with the Group's core values, the merit of the initiative proposed and the importance of the environmental and social needs, including the enhancement and protection of the environmental, historical, artistic and cultural heritage and the international solidarity that they intend to fulfil;

- by operating in accordance with transparent and accountable procedures and through formalities that prevent any possible personal or corporate conflicts of interest;
- by ensuring the liberal grants, regardless of the pursuit of commercial interests.

RELATIONSHIP WITH EMPLOYEES

Art. 9 - Protection and safety

The Group undertakes to protect the moral and physical integrity of its employees and Staff Members subject to other contractual arrangements. To this end, the Group promotes responsible and safe behaviours and adopts all the safety measures required by the changes in technology to ensure a safe and healthy working environment in full compliance with current legislation on prevention and protection.

In compliance with the provisions of Legislative Decree 81/2008 Law on safety at work, the Group's Management has organised a risk prevention and protection service. The risk assessment document has been properly drawn up and the Company Doctor has drawn up a health protocol and carried out the medical examinations on staff as required by law. Also present in the organisation overseeing company safety are all professional persons required by the Law.

The Group's employees are encouraged to report to the Employee Safety Officer or to the risk prevention and protection service officer any anomalies and/or irregularities regarding the application of Legislative Decree 81/2008 Law on safety at work.

Employees are also required to prevent and counteract the injurious effects of an optimal environmental situation in the work place, such as:

- working under the effects caused by the abuse of alcoholic or narcotic substances;
- adhere to the smoking ban in offices.

Art. 10 - Protection of the individual

Lefay Resorts is committed to ensuring the necessary conditions to maintain a collaborative work environment and to prevent discriminatory conduct of any kind.

The collaboration of all is required in order to maintain a climate of mutual respect for the dignity, honour and reputation of each person.

The Group shall refrain from interfering in the exercise of an employee's right to follow principles or practices relating to race, gender, disability, age, political or union membership.

The Group, with reference to Recommendation 92/131 EEC and the current legislation on the protection of dignity of women and men at work, requires the recipients of this Code to promote the prevention and counteract the occurrence of sexual and moral harassment, including the obligation to support an individual who wishes to respond to sexual or moral harassment, and providing said individual with the guidance and clarifications for the procedures to be followed.

Lefay Resorts is committed to preventing any bullying, understood as all violent behaviours (psychological abuse, harassment, oppression, de-skilling, exclusion, humiliation, slander, ostracism, etc...) perpetrated by superiors and/or colleagues towards a worker, extended over time and detrimental to the personal and professional dignity as well as the mental and physical health of the individual.

Employees who claim to have been subjected to discrimination can refer the incident to their manager who will proceed to ascertain whether the Code of Ethics has been breached.

Differences motivated on the basis of objective assessment criteria shall not constitute discrimination.

Art. 11 - Staff selection and recruitment

Without prejudice to the obligations arising from the current provisions of law, the selection of Staff is subject to checking that the candidates substantially meet the professional profiles required by the Group and in compliance with equal opportunities for all persons concerned.

Under no circumstances shall Staff recruitment adverts specify or request information such as race, sex or other discriminatory personal aspects.

Staff recruitment shall take place in compliance with the provisions of the applicable Collective Employment Agreement.

At the time of recruitment, every employee shall receive information on remuneration and the procedures to be adopted to prevent and avoid the health risks associated with the work, on internal regulations for the management of personal data and the use of IT systems.

The treatment of workers is consistent with seniority, the type of jobs performed and professional skills. Employees with equal jobs and functions shall be offered the same training opportunities.

Art. 12 - Staff development and training

The ability to access roles and positions is directly linked to the skills and abilities of individuals, taking into account the specific needs of the Group, without resorting to discriminatory practices against employees and Staff Members.

Managers shall fully use and develop all the professional ability in the Company. They shall use the mechanisms available for promoting the development and growth of their Team, (e.g. shadowing experts, management and technical training, experiences aimed at covering posts with greater responsibility).

Art. 13 - Employee obligations

Employees undertake to observe the obligations provided by the Code of Ethics and adhere to the law when performing their tasks, basing their behaviour on the principles of integrity, fairness, loyalty and good faith.

Employees are required to adopt a dignified dress code, use language appropriate to their work environment and in general behave in a manner conducive to mutual respect and the willingness to engage in dialogue and discussion, particularly by:

- offering their contribution to the performance of the work;
- maintaining a positive work environment where everyone has the opportunity to learn and grow professionally;
- never engaging in discriminatory, illegal or violent acts, or tolerating those who engage in such acts;

- not using offensive language, especially blasphemy and/or expletives;
- by carrying out impartial and constructive work assessments;
- fairly acknowledging colleagues for the work undertaken;
- honouring the importance of an individual's life including those outside the work environment.

Art. 14 - Confidentiality

Recipients shall ensure they maintain the maximum confidentiality of any news and information related to Lefay Resorts' activities, acquired and/or processed in the discharge of their duties or functions. The handling of confidential information, particularly with regard to information on the privacy of Lefay Resorts' Guests is governed by the appropriate internal procedures in accordance with the applicable law and regulations.

Art. 15 - Protection of confidentiality and information management

The Group protects the privacy of its employees according to the relevant legislation in force and undertakes not to communicate or distribute personal data without the prior authorization of the data subject with the exception of the cases provided for by law.

The acquisition, processing and storage of said information shall take place using specific procedures to ensure the prevention of unauthorized access to it, in accordance with legislation regarding the protection of privacy.

Employees are prohibited from disseminating information relating to any type of data which they may become aware of as a result of their job function, unless the prior consent of the Manager concerned has been given.

Employees must observe this duty of confidentiality even after the termination of their employment relationship to ensure that the requirements provided by current privacy regulations is respected.

Art. 16 - Physical safety

Physical safety is a set of protection measures established to prevent unauthorised third parties from gaining physical access to our offices.

It is a good practice to:

- close the windows and lock the doors at the end of working activities or, in any event, when there are no Staff on duty able to monitor the entry;
- pay particular attention when permitting access to suppliers, consultants and external Staff by checking that these individuals have the necessary requirements to be able to access the offices.

RELATIONSHIP WITH THE RESORT AND GUESTS

The main goal that Lefay Resorts has chosen to pursue is the complete satisfaction of its Guests patronising the Resorts in the company's collection of properties, particularly through designing a service focused on respect for the fundamental values of fairness, honesty, efficiency and professionalism.

Art. 17 - Contracts and communication

Lefay Resorts is committed to communicating transparently and fairly:

- the nature, price and quality of the service offered, ensuring internal procedures for the management of Guests relationships are strictly observed.
- the clauses contained in the contracts entered into with third parties.

Lefay Resorts ensures that the advertising campaigns and information materials distributed are truthful and fully reflect what is actually offered at the Lefay Collection properties.

Art. 18 - Interaction with Guests

The Group protects the privacy of its Guests according to the relevant legislation in force and undertakes not to communicate or distribute personal or sensitive data.

RELATIONSHIP WITH THE ENVIRONMENT

Within the overall framework of the continuous improvement in the environmental management of the properties and the commitment to preventing pollution and protecting the surrounding environment, Lefay Resorts is committed to strictly complying with the laws and regulations in force and to raise awareness among Guests, by distributing the Green Book, a tool outlining Lefay's commitment to respecting the surrounding environment.

Art. 19 - Design and construction of properties

During the design and construction of its properties, Lefay Resorts is committed to safeguarding the surrounding environment, with particular attention to the surrounding landscape, endeavouring to minimise as much as possible the disturbance to local flora and fauna and promoting the growth of native tree species.

Art. 20 - Reduction in energy and water consumption

Lefay Resorts constantly monitors the energy and water consumption of its properties, making reasonable efforts to ensure natural resources are used wisely, involving its Staff and raising awareness among its Guests through the "Green Book" which is available in all Resort rooms and the special section dedicated to eco-sustainability, published on the company website.

Art. 21 - Waste management

Recipients are made aware of the methods implemented for waste management to promote waste reduction and enhancement including through the development of waste sorting and recycling, as well as the proper management of substances that may be harmful to man and the environment by reducing or replacing the use thereof, where feasible, with others with a lower environmental impact.

Lefay Resorts believes that a valid tool in reducing waste products is linked to Guests' awareness, particularly through the "Green Book" available in all of the Resorts' rooms.

Art. 22 - Supporting local communities

Lefay Resorts is committed to promoting the eco-sustainable development of its activities, while encouraging the promotion of the territory and supporting cultural initiatives promoted by the community and local institutions through:

- the sponsorship of cultural and sporting events typical of the area surrounding the group's properties;
- the employment of staff residing in neighbouring areas;
- the recourse to "on-call" Staff, suppliers, consultants located in neighbouring areas.

RELATIONSHIP WITH SUPPLIERS

Art. 23 - Choice of suppliers

The choice of suppliers and the purchase of goods and services of any type must take place in compliance with the principles of open competition and equal conditions for those submitting offers and on the basis of objective evaluation relating to:

- price of the supply,
- any environmental certifications obtained by the suppliers,
- the location of the suppliers' premises,
- the presence of sustainability certifications for the products requested.

Each selection procedure must be carried out in compliance with the widest conditions of competition and any possible derogation from this principle must be authorised and justified.

Art. 24 - Transparency

The Group's relationships with suppliers, including financial and advisory service contracts, are governed by this Code of Ethics and are constantly and carefully monitored by the Group and include the adequacy of services or goods supplied in relation to the agreed price.

The Group prepares suitable procedures in order to guarantee maximum transparency in the selection of supplier and the purchase of goods and services.

The Group does not believe that it is correct to induce a supplier to sign a contract that is not favourable to him, following the promise of further supplies under more favourable terms.

Consistency with its social and ethical identity means that the Group requests every supplier of goods and services to read this Code and to ensure compliance with the principles and behaviours indicated therein, which are deemed an essential condition for entering into a purchase and supply contract for goods and services and to maintain this relationship over time.

Art. 25 - Honesty

The Group establishes relationships with its suppliers in compliance with the regulations in force and the principles of this Code. The Group expects its suppliers to behave fairly, diligently and in compliance with the law, with particular attention given to compliance with procedures and best practice in terms of ethics, the protection of health and safety in work places and respect for the environment.

In the Group's aim to promote respect for ethical principles and protection of health and safety in the work place and throughout the supply chain, it encourages its suppliers to apply the same criteria when selecting sub-suppliers.

Art. 26 - Fairness and diligence in the performance of contracts

The Group and the suppliers must operate so as to build a collaborative relationship based on mutual trust. The Group is committed to timely and properly informing the suppliers about the nature of the activity, the manner and timing of payment in compliance with the legislation in force.

The fulfilment of contractual obligations by the supplier musts comply with the principles of fairness, honesty, diligence and good faith and must take place in compliance with the contractual terms agreed.

An accurate archiving system for documentation of the entire selection and purchase procedure has been established so that every operation can be repeated.

Art. 27 - Confidentiality of information

The Group undertakes to keep strictly confidential any information relating to its suppliers, including contractors, and sub-contractors and to use the said information solely in the cases provided by law or in any case, following authorisation of the interested party.

Moreover, the suppliers too are required to keep strictly confidential any information, documents and personal details relating to the Group and its Staff Members.

A field of white daisies with yellow centers, some in bloom and some as brown seed heads. The background is a soft-focus landscape with green trees and a bright sky.

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